

## UNOFFICIAL TRANSLATION

Minutes from the Annual General Meeting of Shareholders in Atlas Copco Aktiebolag, 556014-2720, in Stockholm, 27 April 2012

### § 1

The meeting was opened by Chairman of the Board Sune Carlsson, who was elected chairman of the meeting. Board Secretary and Senior Vice President General Counsel Håkan Osvald was appointed to record the minutes.

The meeting accepted the presence of invited guests, representatives of the market and media, and officials at the meeting.

### § 2

The list of registrations to attend the annual general meeting which had been received by the registration deadline showed, after correction for those not present, that 534,151,137 Class A shares and 237,471,922 Class B shares, for a total of 771,623,059 shares and 557,898,329.2 votes were represented at the meeting.

The thus corrected list was approved as the voting list at the meeting, Appendix 1.

### § 3

The agenda stated in the notice of the annual general meeting and distributed at the meeting was approved.

### § 4

Arne Lööv, Swedish Fourth National Pension Fund (*Fjärde AP-fonden*) and Anneli Lönnborg, Gärde Wesslau Advokatbyrå, who represented a large number of international institutional owners, were elected to approve the minutes of the meeting in addition to the chairman.

### § 5

The secretary reminded the meeting that the notice was published in Post- och Inrikes Tidningar March 21, 2012 and on the website on March 19, 2012. Information that notice had been given was published in Dagens Nyheter, Svenska Dagbladet, Dagens Industri, Nacka Värmdöposten och Aktiespararen, all according to the Articles of Association.

The meeting declared itself duly convened.

### § 6

The secretary announced that the board of directors and chief executive officer's annual report for the company and the group for 2011 and the corresponding auditor's reports was published on the website March 19 and printed and distributed to the registered shareholders who had requested them on 30 March 2012. It was recorded that the annual report was available at the meeting.

The annual report for the company and the group and corresponding auditor's reports were declared presented to the meeting.

## § 7

CEO Ronnie Leten presented his speech, in which he shared with the meeting his views on the development of the Atlas Copco group and remarked on the operations in 2011 and the first quarter of 2012.

It was recorded that CEO Ronnie Leten and the Chairman answered questions asked by Helena Levander, Nordic Investor Service, Günter Mårder, representing Swedish Shareholders' Association (*Sveriges Aktiesparares riksförbund*), Ossian Ekdahl, Swedish First National Pension Fund (*Första AP-fonden*) and Leo Gillholm .

## § 8

From this agenda point and onward, electronic voting devices were used by the meeting both for voting and elections with exception of agenda points §9, §10 and §11. The reference to the outcome of a voting or election reflects an electronically registered result that has been stored and is available for control. The term "absolute" or "simple majority" refers to a result with more than half the represented votes given, in favor. The term "qualified majority" refers to a result favored by both a certain number votes and represented number of shares in accordance with relevant regulations in the Swedish Companies Act (*Aktiebolagslagen*). The term "relative majority" refers to the result of an election.

- a) The principal auditor, Jan Berntsson, referred to the auditor's report for the company and the group in the annual report and explained the process applied to perform the audit. Jan Berntsson, recommended adoption of the presented income statements and balance sheets, discharge of liability for the chief executive officer and the board, and adoption of the proposed distribution of profits.

In accordance with the auditor's recommendation, the meeting adopted, with absolute majority, the income statements and balance sheets for the company and the group as of 31 December 2011 as presented in the annual report.

- b) In accordance with the auditor's recommendation, the meeting with simple majority discharged the members of the board of directors and the chief executive officer from liability for their management of the company's affairs during the 2011 financial year.
- c) The board of directors had proposed distribution of the profits at the disposal of the annual general meeting of SEK 37,509,557,666 as follows: Dividend of SEK 5 per share to shareholders: SEK 6,068,822,070 and remaining SEK 31,440,735,596 shall be retained.

The meeting resolved in favor of the board's proposal with absolute majority.

- d) The meeting further resolved to adopt May 3, 2012 as record day for the dividend, with absolute majority. The Chairman informed the meeting that the dividend was expected to be distributed on May 8, 2012.

## § 9

The meeting resolved with absolute majority that the number of directors elected by the annual general meeting for a term ending at the next annual general meeting would be nine (9) directors and no alternates.

## § 10

The Chairman for the nomination committee explained the evaluation and nomination process that had taken place within the framework of the work of the nomination committee.

The meeting thereafter elected, with relative majority, the following directors to serve until the next annual general meeting:

### Directors

Staffan Bohman	(re-election)
Sune Carlsson	(re-election)
Johan Forssell	(re-election)
Ronnie Leten	(re-election)
Ulla Litzén	(re-election)
Anders Ullberg	(re-election)
Peter Wallenberg Jr	(new election)
Margareth Övrum	(re-election)
Gunilla Nordström	(re-election)

The meeting thereafter elected, with relative majority, Sune Carlsson chairman of the board to serve until the next annual general meeting.

The board member and vice chairman of the board, Jacob Wallenberg, announced in March this year that he would not be available for re-election and the Chairman gave him a warm thanks for the much appreciated work he has done for the company since he first was elected to the board at the annual general meeting in 1985.

The secretary informed that the employee representatives on the board of directors until the annual general meeting held in 2014 are Mikael Bergstedt, Ledarna, and Bengt Lindgren, IF Metall, with Kristina Kanestad, Unionen, as the personal alternate for Bergstedt and Ulf Ström, IF Metall, as the personal alternate for Lindgren.

## § 11

The meeting resolved to pay director's fees to non-executive directors of SEK 1,800,000 to the chairman of the board and SEK 540,000 to each of the other non-executive directors, as well as unchanged compensation for committee service of

- SEK 200,000 to the chairman of the audit committee and SEK 125,000 to each one of the other members of this committee;
- SEK 60,000 to each one of the member of the remuneration committee; and
- SEK 60,000 to each non-executive director who, in addition, participates in committee work decided upon by the board.

The meeting further resolved that 50% of the director's board fee could be received in the form of synthetic shares.

## § 12

The chairman reported on the composition, mandate and activities of the remuneration committee in 2011. The chairman reminded the meeting that the report by Deloitte AB on the board's compliance with last year's resolution regarding executive remuneration policies had been posted on the website. It was noted that the report was available at the meeting.

a) Guidelines for remuneration to management.

The meeting approved, with absolute majority, the guidelines for remuneration to management proposed by the board.

b) The chairman presented the background and reasons for the proposal regarding a performance-based employee stock option plan for 2012 presented to the annual general meeting.

The meeting approved, with absolute majority, the reported scope and main principals for a performance based employee stock option plan for 2012 regarding Class A shares in Atlas Copco.

It was recorded that the Chairman responded on comments made by Günter Mårder, Peter Lundkvist, Third National Pension Fund (*Tredje AP-fonden*), Helena Levander, Jan Andersson, Robur, Ossian Ekdahl och Caroline Mårder, Second National Pension Fund (*Andra AP-fonden*). The comments mainly related to the fact that the EVA target for the option plan is not presented, not even historically. Peter Lundkvist demanded that the Third National Pension Fund's comments should be added to the protocol (Appendix 2). As requested by Jan Andersson and Caroline Mårder, it was taken to the record that Robur and Second National Pension Fund shared the view of the Third National Pension Fund, but they would vote in favor of the proposal as such.

## § 13

The annual general meeting resolved, with qualified majority, in accordance with the board's complete proposal on acquisition of treasury shares and transfer of treasury shares as follows:

a) Acquisition of shares in accordance with the employee stock option plan for 2012

The annual general meeting granted a mandate to the board, for a term ending at the close of the next annual general meeting, to resolve to acquire shares in the company on one or more occasions, as following:

1. Acquisition shall be limited to a maximum of 4,550,000 Class A shares.
2. The shares may only be acquired on NASDAQ OMX Stockholm.
3. Acquisition of shares through trading on NASDAQ OMX Stockholm may be transacted only at a price per share within the registered trading range in effect from time to time.

The acquisition is made to reduce the economic risk when the share value increased during the validity period of the employee options and to secure delivery of shares according to the employee option and matching share agreements entered into, as well as to cover alternative incentive solutions and cash settlements and to cover, primarily social charges.

b) Acquisition of shares reflecting synthetic shares to directors of the board

The annual general meeting granted a mandate to the board, for a term ending at the close of the next annual general meeting, to acquire shares in the company on one or more occasions as follows.

1. Acquisition shall be limited to a maximum of 70,000 Class A shares.
2. The shares may only be acquired on NASDAQ OMX Stockholm.
3. Acquisition of shares through trading on NASDAQ OMX Stockholm may be transacted only at a price per share within the registered trading range in effect from time to time.

The acquisition is made to hedge the costs of the company's obligation, including social charges, towards such a director of the board who has opted to receive 50 % of the board fee in synthetic shares.

c) Transfer of shares in accordance with the employee stock option plan for 2012

The annual general meeting decided to transfer shares in the company by reason of the company's employee stock option plan for 2012 as follows. A maximum of 3,500,000 Class A shares may be transferred. The right to acquire shares shall accrue to individuals covered by the company's 2012 employee stock option plan, with the right for each participant to obtain the maximum number of shares permitted under the terms and conditions of the company's employee stock option plan. Transfer of shares shall take place on the terms and conditions stated in the company's employee stock option plan, which means among other thing that the specifications therein with regard to prices and the period during which participants may exercise their rights to acquire shares, shall also apply to the transfer. Participants shall remit payment for shares, within the time and in the manner specified in the terms and conditions for the employee stock option plan 2012. With regard to the number of shares that may be subject to transfer under the company's employee stock option, customary terms shall apply for adjustment due to bonus issues, splits, preferential issues and similar measures in accordance with the terms and conditions of the employee stock option plan 2012.

The reason for deviation from the shareholders right to preemption and the base for the price calculation at transfer is that the transfer of shares is part of an integrated process related to the mandate regarding hedging of synthetic shares as part of the board fee.

d) Sale of shares in connection with directors of the board's synthetic shares

The annual general meeting granted a mandate to the board, for a term ending at the close of the next annual general meeting, to sell shares in the company at on one or more occasions of a maximum of 15,000 Class A shares, to cover costs equivalent to previously issued synthetic shares to a previous director of the board, and to cover costs, primarily social insurance charge.

The shares proposed to be sold were acquired for the specific purpose each respective year in accordance with mandate from that year's annual general meeting. The shares may only be sold on NASDAQ OMX Stockholm and only at a price per share within the registered trading range in effect from time to time.

The reason for deviation from the shareholders right to preemption and the base for the price calculation at sale is that the sale of shares is part of an integrated process related to the mandate regarding hedging of synthetic shares as part of the board fee.

e) Sale of shares in accordance with the employee stock option plan for 2007, 2008 and 2009

The annual general meeting voted to grant a mandate to the board for a term ending at the close of the next annual general meeting to sell treasury shares in the company on one or more occasions to cover costs, including social insurance charges, cash settlements, or performance of alternative incentive solutions in countries where allotment of employee stock options is unsuitable, in accordance with the obligations in the 2007, 2008 and 2009 performance based employee stock option plans as follows: A maximum of 1,200,000 Class B shares and held by the company may be sold for the purpose of the 2007 stock option plan and a maximum of 4,700,000 Class A shares for the purpose of 2008 and 2009 stock option plans. The shares may only be sold on NASDAQ OMX Stockholm. Sale of shares through trading on NASDAQ OMX Stockholm may be transacted only at a price per share within the registered trading range in effect from time to time

The reason for deviation from the shareholders right to preemption is that the sale of shares is part of an integrated process related to the previously adopted employee stock option plans.

#### **§ 14**

The meeting resolved with absolute majority, in accordance with the nomination committee's complete proposal regarding nomination committee.

#### **§ 15**

The chairman thanked the management and employees of the company for very strong performance in 2011 and wished the company continued success during 2012.

The chairman gave a special thanks to the previous secretary of the board, Hans Sandberg, who after 36 years with the company retired by the end of 2011. Hans had been the secretary of the board for 20 years and has contributed greatly to the development of Atlas Copco and has been a great support for the board and especially the chairman.

The chairman declared the 2012 annual general meeting of shareholders in Atlas Copco Aktiebolag closed.

It was recorded that after the meeting, the "John Munck Award" and "Peter Wallenberg Marketing and Sales Award" were presented in the presence of Honorary Chairman Peter Wallenberg and John Munck's granddaughter Lena Edehag.

In fidem

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Håkan Osvald

Minutes verified and approved

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Sune Carlsson

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Arne Lööv

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Anneli Lönnborg